

## Digest of the Labor Market Information Advisory Meeting

<b>Title</b>	<b><i>LMI Advisory Group Meeting</i></b>		
<b>Date</b>	Thursday, August 3, 2017		
<b>Organization</b>	California Employment Development Department (EDD) /Labor Market Information Division (LMID)		
<b>Location</b>	750 N Street, Park Complex East – Aspen Room Sacramento, CA 95814		
<b>Attendees</b>	DiCaro, Gino                      California Manufacturer's & Technology Association (CMTA) Dicus, Steve                      DSN North Advanced Manufacturing Haglund, Rick                      Department of Labor's Bureau of Labor Statistics (BLS) Holden, Richard                      Department of Labor's Bureau of Labor Statistics (BLS) Manning, Charlene                      California Department of Human Resources (CalHR) McFarland, Annette                      California Department of Human Resources (CalHR) Reid, Dennis                      Department of Labor's Bureau of Labor Statistics (BLS) Springer, Haden                      Foundation for California Community Colleges Stuart, Molly                      Napa Valley College Vo, Tom                      Southern California Association of Governments (SCAG)		
<b>LMID Staff</b>	Akhtar, Muhammad Bailey, Brad Garcia, David Flores, Rosendo Gonzales, Margo	Gutierrez, Steve Hooker, Brandon Huffstutler, Troy McClellan, Judi Moore, Vicki	Saenz, Erika Sanders, Brandy Shriver, Janice Stassi, Tom Welch, Cara Wong, Spencer
<b>Note Takers</b>	Christina Barron and Vicky Vang		
<b>Welcome/Introductions</b>	Dave Garcia, OSG		
<a href="#"><u>Occupational Employment Statistics Overview: Standard Occupational Coding System and Estimates Data</u></a>	<b>Tom Stassi and Brad Bailey, LMID</b> <ul style="list-style-type: none"> <li>The Occupation Employment Statistics (OES) survey is a federal-state cooperative program between the Department of Labor's BLS and State Workforce Agencies that conducts a semi-annual survey to produce occupational employment and wage estimates. Participants of the cooperative agreement include the 50 states, along with the District of Columbia, Puerto Rico, Guam, and the U.S. Virgin Islands.</li> <li>The California OES survey samples nearly 34,000 non-farm businesses annually, which are randomly selected by industry, Metropolitan Statistical Area (MSA), and employment size from the Quarterly Census of Employment and Wages database. All employers are notified with a postcard to introduce the survey prior to mailing out the data collection forms. For larger employers, a pre-note letter is mailed requesting contact information. States are required to reach a 75 percent response rate either in units or employment for all designated MSA sampled areas; otherwise, data quality will not be adequate to produce employment and wage estimates.</li> <li>The OES statistical findings provide the employment and wage level for more than 800 job titles, thus helping to identify the rise or decline of jobs as well as any new and emerging occupations in the dynamic economy. The OES data estimates are obtainable at the national or state level by geographic areas, industry, and ownership. The OES tables can be found on the LMID's website at <a href="http://www.labormarketinfo.edd.ca.gov/data/oes-employment-and-wages.html#OES">http://www.labormarketinfo.edd.ca.gov/data/oes-employment-and-wages.html#OES</a></li> </ul>		

	<ul style="list-style-type: none"> <li>• The OES staff use the Standard Occupation Classification (SOC) system – a structured four level hierarchy government system for classifying occupations. These four levels contain 23 major groups, 97 minor groups, 461 broad occupations, and 840 detailed occupations.</li> <li>• The SOC modification is a multi-year process that includes developing a proposal of SOC recommendations for review and soliciting for public comments. The next Standard Occupation Classification System revision authorized by the Office of Management and Budget is scheduled to be released in 2018.</li> <li>• Customized requests for employment and wage data information from Labor Market Information Division (LMID) customers are generated from the Local Employment Wage Information System, an estimating program by OES specialists. Estimates can be made for custom geographical areas down to the county level, wage ranges from 10 percent to 90 percent, size of business, ownership codes, by industry up to the 4-digit North American Industry Classification System (NAICS) code, and for special occupational groupings.</li> <li>• The OES puts out employment estimates for the previous year every June with the wages adjusted to the current year's first quarter using the Employment Cost Index (ECI) factors. These estimates are available on LMID's website for statewide and all geographical areas as defined by the Bureau of Labor Statistics.</li> </ul>
<b>Roundtable</b>	<ul style="list-style-type: none"> <li>• None</li> </ul>
<a href="#"><u>State of California Manufacturing</u></a>	<p><b>Gino DiCaro, CA Manufacturers &amp; Technology Association</b></p> <ul style="list-style-type: none"> <li>• The California Manufacturers &amp; Technology Association (CMTA) founded in 1918 has worked to encourage and improve the economic growth of California's manufacturing businesses. The CMTA represents over 30,000 manufacturing entities and will be celebrating their 100<sup>th</sup> year anniversary in 2018.</li> <li>• The CMTA serves as an advocate for manufacturing establishments concerning tax policies, energy, funding, labor, regulatory, workers' compensation insurance, and workforce training programs.</li> <li>• Since the end of the recession, California's manufacturing job growth continues to progress slowly at 3.9 percent compared to the nation at 8.7 percent. The top leading states with the most added manufacturing jobs are Kentucky at 20.5 percent, Indiana at 19.9 percent, and South Carolina and Tennessee at 16.5 percent.</li> <li>• California still holds the most expensive workers' compensation premium rate compared to the rest of the states at \$3.24 per \$100 of payroll.</li> <li>• Over the years, California has experienced a decline in Career Technical Education programs resulting in a skills gap increase.</li> <li>• The CMTA is committed to improving and expanding apprenticeship programs for the manufacturing industry with the intention to eliminate skills gap and equip students with the skills needed to carry out the jobs.</li> </ul>
<a href="#"><u>Economic Update</u></a>	<p><b>Brandon Hooker, LMID</b></p> <ul style="list-style-type: none"> <li>• Over the course of California's economic contraction period, the state lost 1.3 million nonfarm payroll jobs. These jobs were concentrated heavily in Construction and Manufacturing.</li> <li>• Consumer Confidence Index, a barometer of consumer sentiment, was at a low during the end of the recession. The index was at 46.4 in February 2010 but in June 2017, it stood at 118.9.</li> <li>• It took 50 months for California to gain back all the nonfarm jobs lost.</li> <li>• Between February 2010 to June 2017, 55,000 more disabled persons in California were employed.</li> <li>• After the recession period ended, California's number of long-term unemployed</li> </ul>

	<p>persons peaked at just over 1.1 million in March 2011. In June 2017, there were roughly 250,000 long-term unemployed persons in the state. Long-term unemployed persons are those that have been unemployed for 27 weeks or more.</p> <ul style="list-style-type: none"> <li>• In July, August, and September of 2008, the labor force participant rate stood at 66 percent, its highest mark in years. Labor force participation rates in the state have fallen and remained stagnant since then because of the number of retired persons leaving the workforce.</li> <li>• Between June 2016 and June 2017, the number of nonfarm jobs increased by 1.6 percent, a figure comparable to the U.S. year-over gain of 1.6 percent for the same period of time.</li> <li>• From the start of the economic expansion in California (February 2010) to the current month, the state's nonfarm jobs increased from 14.2 million to 16.9 million.</li> <li>• California's construction sector added 11,000 jobs through the first half of 2016 and added 34,500 in 2017. The state's educational and health services sector has added jobs for 48 consecutive months. The other services sector added nearly four times as many jobs through the first half of 2016 (8,000), when compared to job gains the year before over the same period of time (2,100).</li> <li>• E-commerce retail receipts have increased from 5 billion dollars in May 1997 to 44 billion dollars in May 2017 according to the U.S. Census Bureau.</li> <li>• In 2016, California had over 3,000 electronic shopping establishments. Electronic shopping employment increased from 26,700 in June 2011 to 46,200 as of June 2017.</li> </ul>
<b>Labor Market Information Division Update</b>	<p><b>Spencer Wong, LMID</b></p> <ul style="list-style-type: none"> <li>• Despite the 2017 state worker's pay raises, LMID's current budget funding is relatively stabilized with an employment level of 125-130 staff onboard.</li> <li>• As part of a master plan that involves several other state agencies (California Department of Water Resource and Department of Corrections), the Labor Market Information Division will once again relocate to the EDD's central office. The upcoming move is expected to occur in the next 6-12 months.</li> <li>• Some new products that will be published this fall, include Occupational Infographics, a guide that lists top middle skills occupations and wages for each of the 14 Regional Planning Units (RPU).</li> <li>• The LMID staff are currently working on a "supply and demand" tool beta version 2.0, which is designed to assist workforce partners, businesses, and educational institutions. The supply side captures the number of program completers from the U.S. Department of Education's Integrated Postsecondary Education Data System (IPEDS). The demand side uses data from the California Occupational Long-Term Employment Projections and The Conference Board Help Wanted Online™ (HWOL).</li> <li>• California's ten year (2016-2026) industry and occupational employment projections are now available through the EDD's LMID website.</li> <li>• Due to limited funds, the BLS has created ways to reduce the workload for the Occupation Employment Statistics unit by allowing states to reduce areas in which they collect data for by combining geographic areas.</li> <li>• Final 2016 3<sup>rd</sup> quarter and 2016 4<sup>th</sup> quarter data from the Quarterly Census of Employment and Wages database has been uploaded to the LMID website.</li> </ul>
<b>Wrap Up &amp; Adjourn</b>	<p><b>Dave Garcia</b></p> <ul style="list-style-type: none"> <li>• Please return badges and fill out the evaluation form.</li> </ul>
<b>Upcoming LMI Advisory Group Meeting Dates</b>	<p><b>LMI Advisory Group – 2017 Meeting Schedule</b></p> <ul style="list-style-type: none"> <li>• November 2, 2017</li> </ul>